



National Black Chamber of Commerce®  
1350 Connecticut Avenue NW Suite 405, Washington DC 20036  
202-466-6888 202-466-4918fax [www.nationalbcc.org](http://www.nationalbcc.org) [info@nationalbcc.org](mailto:info@nationalbcc.org)

## **CONGRESSIONAL TESTIMONY**

**“Wireless Tax Fairness Act of 2011”**

**Presented To:**

**Subcommittee on Courts, Commercial and Administrative Law**

**Honorable Howard Coble, Chair  
Honorable Steve Cohen, Ranking Member**

**Presented By:**

**Harry C. Alford  
President/CEO**

Chairman Coble, Ranking Member Cohen and distinguished members of this committee thank you for allowing the National Black Chamber of Commerce® to provide testimony concerning the “Wireless Tax Fairness Act of 2011”. As we all know this great nation of ours was founded on the principles of free enterprise and a fair and impartial balance on taxation. Taxation should fund our government and should not be excessive or debilitating to our economy. We must practice due diligence in our public spending and ensure that taxation does not cross that fine “line”.

The NBCC was founded under the philosophy of the great Booker T. Washington. Mr. Washington believed that African Americans could thrive in America if they became educated and practiced entrepreneurship (create our own jobs and build wealth). He not only talked that, he walked it. He built the great institution, Tuskegee University, from the ground up using students to build the buildings, furniture and accessories in exchange for tuition. That university still thrives today. In regards to entrepreneurship he founded the National Negro Business League in 1902 (ten years before the US Chamber of Commerce). That is the model used by the NBCC today.

When the National Black Chamber of Commerce® was incorporated in 1993, the US Census Bureau was reporting 300,000 Black owned businesses with annual revenues of \$30 billion. As of 2007, it now reports 1.9 million Black owned businesses with annual revenues of over \$137 billion. We are the fastest growing segment of the American economy. The future seems to be bright as African Americans have nearly \$1 trillion in disposable income (according to Selig School of Business) and our businesses have yet to capture the majority of that.

Still, our economic status is fragile. Unemployment in Black communities soars over the national average and is currently at 16%. The recession is taking its toll. The saying “when most people catch a cold, Blacks will catch pneumonia” still applies. We can look at what the Sub-prime Mortgage debacle did to our communities. African Americans literally lost over 35% of their net worth from this malicious scandal. Our life spans make our social security contributions more or less a transfer of income. Sometimes our economic future seems to be very tenuous.

Yes, we have a smaller “pie” to cut from when it comes to the cost of living. This is why we support the “Wireless Tax Fairness Act of 2011”. To allow states and local governments to use excessive taxation as a way to cover budget shortfalls rather than prudent spending is reckless and unfair. As the economic status of African Americans is at the bottom “rung” of the American economy they will suffer the most from this abuse. Our Black owned businesses will suffer from a consumer base that is weakening and that will greatly lessen the opportunity to create more jobs. Hence, the staggering 16% unemployment level may even increase. That chance of making education affordable will also lessen. Unfair taxation is a cancer to our communities.

We should concentrate on further deployment of Broadband as it is a great factor in doing business and providing security. Cell phones are no longer a luxury item. They are a necessity to our daily living. It enhances communication, information, education and creates many opportunities for employment and wealth building. Current tax levels on mobile devices resemble luxury taxes such as liquor, cigarettes and jewelry. It is abusive and terribly unfair. It must be checked.

Local communities should consider ways to increase employment via entrepreneurship. This will increase the payroll tax base and that will offset budget challenges. Finding ways to tax the masses in a disproportionate manner improves nothing. It, in effect, hurts our economy and lessens the opportunities for our citizens. Your consideration of supporting this legislation is indeed appreciated. I look forward to it passing through Congress and being signed by our President. Thank you.